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ADDRESS BY DR. BOUTROS BOUTROS-GHALI, SECRETARY-GENERAL OF THE UNITED NATIONS, AT THE INAUGURAL CEREMONY ON 27 APRIL 1996

Allow me, first, to express some personal thoughts. In so doing, I know I speak not only for the United Nations, and for myself, but for everyone here today.

It is deeply moving for all of us to be welcomed to South Africa by President Nelson Mandela, on the occasion of this UNCTAD IX. Nothing could show more clearly that South Africa has overcome the evils of its past. Nothing could provide clearer proof that South Africa has taken giant steps forward on the path of democracy, equality and national reconciliation. Thanks to you, Sir, South Africa has become an example to the world. South Africa is a source of pride for the international community.

You and your country waged a long struggle for social justice. UNCTAD, too, has been engaged in such a struggle. The agenda for UNCTAD IX is a challenge for the international community. Put simply, that challenge is to "promote growth and sustainable development in a globalizing and liberalizing international economy".

The global economy is now a fact of life. In the economic field, large companies are feeling the impact of technological progress and new production methods. They constantly seek increased efficiency and productivity. They are becoming global, often as part of huge transnational groups. The financial sector is already virtually globalized. Deregulation, the ending of exchange controls, and instant worldwide communication have transformed its operations. In the information field, instant and universal communication of large quantities of data is a new feature of international life. Globalization brings progress. It should be encouraged. But dangers remain.

The global economy can be hard on those unable to benefit from its opportunities. Traditional ties of community and solidarity can be undermined. Whole countries and regions can become marginalized. So, the gap between rich and poor grows ever wider.

UNCTAD developed the concept of interdependence. UNCTAD understands how the different components of development come together. So today, UNCTAD's mission is as relevant as it ever was. The world has changed. But UNCTAD's basic mission has not changed. UNCTAD's mission is to ensure that international trade is a force for the durable development of all peoples and nations. That was UNCTAD's challenge yesterday. It remains UNCTAD's challenge today and tomorrow.

The very first UNCTAD convened, 32 years ago in Geneva, at the invitation of the General Assembly of the United Nations. Those who framed UNCTAD's mission and purpose showed great vision and political imagination. Looking back, we can see how innovative they were. They defined the aim and purpose of UNCTAD as - quite simply - to make international trade a key instrument of economic development.

Raul Prebisch - who later became UNCTAD's first Secretary-General - laid out, in his famous introductory report to the first UNCTAD, the main guidelines for a new third-world view of international trade policy. On this foundation were built, over time, whole new structures of international development law.

Many of those involved in these new departures were Latin Americans. Manuel Perez Guerrero was such a Latin American visionary of development. Today, in different conditions, Latin Americans continue the tradition. UNCTAD VIII, held in Cartagena, was a landmark event. I pay tribute today to the work of the current Secretary-General of UNCTAD, Mr. Rubens Ricupero. He and other Latin Americans continue today that tradition of concern for economic development and social justice.

UNCTAD's early role was to define and debate principles and policies. Studies of crucial economic and financial issues affecting developing countries were undertaken. All States were encouraged to join in. The North/South dialogue largely took place within UNCTAD, with the support of UNCTAD and the benefit of the aims of UNCTAD.

But that was not all. UNCTAD took on other roles. It became a centre for advocacy and negotiation as well. Soon after it was established, UNCTAD pioneered international commodity agreements in, for example, cocoa, rubber, jute and tropical hardwoods. UNCTAD was crucial in setting up the Integrated Programme for Commodities. And UNCTAD was instrumental in the adoption of the generalized system of preferences, and of the Convention on a Code of Conduct for Liner Conferences. UNCTAD launched a proposal for a global South/South preference system.

I must, at this stage, pay tribute to an eminent son of Africa, the late Kenneth Dadzie. He piloted the institution through the two previous conferences, Geneva and Cartagena. UNCTAD developed a remarkable capacity to adapt to the changing environment. But it never lost sight of its central

development mission. This catalogue of UNCTAD's achievements is not intended merely to extol the past. It is not simply to review the history of a successful United Nations institution.

I refer to the past in order to point the way to UNCTAD's future. UNCTAD's history has been rich and fruitful. Today, UNCTAD remains an essential tool at the disposal of the international community. UNCTAD stands ready to assist that community to come to terms with the economic and commercial consequences of global economy.

We all realize that we are entering a new era of international trade relations. But we also realize that the rules of the emerging trade order that is currently taking shape still require much work and clarification. Trade and development law in the world society is still, for us, an area in which much work is being done.

The realization of the global nature of international trade is what prompted the establishment of the Uruguay Round of negotiations and gave rise to the new World Trade Organization (WTO). Henceforth, together with the Bretton Woods institutions, WTO has, as its mission, to take over the regulation and oversight of international trade relations.

I welcomed the establishment of this institution. And I am pleased with the trusting working relationship that the United Nations has with the World Trade Organization under the guidance of Renato Ruggiero. Each day we see the tremendous complementarity that exists between the World Trade Organization and UNCTAD. For today, in the context of international economic institutions, the United Nations Conference on Trade and Development is in the process of finding its rightful place.

UNCTAD, in my view, must now seek to achieve the following three goals:

It must, first and foremost, be a place of consensus, a forum where countries can formulate, express and share their views on development issues. These issues often go beyond - far beyond - trade rules. For today everyone agrees that money, finance, investment, technology and trade are all increasingly interdependent. Seen from this viewpoint, the role of UNCTAD is, therefore, to participate in this integrated approach and also to emphasize the development dimension in each of these areas. Everyone is aware of how helpful this function can be to the progress of negotiations that are taking place in other forums, and particularly within the World Trade Organization.

Secondly, UNCTAD must fulfil a technical assistance role. This function must be fulfilled in particular with respect to the most disadvantaged countries. UNCTAD's mission today is to be, for the least developed countries, one of the principal agents of change. It must offer the least developed countries a way to become part of the international trade order. Thus, at the national level, UNCTAD must help the most disadvantaged countries to strengthen their infrastructure in the area of trade. Likewise, at the international level, UNCTAD must enable these States to adapt better to the trade rules that are taking shape and to benefit, equitably, from the advantages of world trade.

Finally, UNCTAD must continue to be the "conscience" and advocate of the developing and most disadvantaged countries. No other institutions can fulfil this function. We must not be blind to the fact that, in the past, this function has sometimes led UNCTAD to make proposals which, because they sought to effect reforms, some people considered unrealistic at the time. However, today we are seeing the change that UNCTAD has wrought in order to adapt - beyond considerations of ideology - to the reality of the world and of the market economy. For it is striving to reach out to the real actors of development, that is to say, the enterprises and national decision makers, by overhauling its mission and working methods. Undoubtedly, the United Nations Conference on Trade and Development has thereby enhanced its credibility.

I should also like to stress that development in our global community should be seen in all its complexity. It cannot be reduced to economic growth alone, for it has social, political, cultural and psychological dimensions as well. Now more than ever, there is a need for the continued existence of a body which, as part of the United Nations system, is tuned into all these dimensions and all these hopes.

I should like to add, lastly, that the global nature of contemporary international society forces us to expand our ideas beyond a strict, rigid concept of relations among States. We must take into account the real situation of all the economic actors. Here again, UNCTAD has shown that it is paying close attention to the changes taking place in the world and is trying to set up a vast economic forum with as wide a membership as possible.

This UNCTAD session bears witness to this effort. With 188 member States, it is the largest intergovernmental assembly having a mandate to promote development through trade. And thanks to the participation of private-sector agents, financial institutions, transnational corporations, non-governmental organizations and the academic and research world, UNCTAD is making an essential contribution to the achievement of one of our major goals, the democratization of international economic relations. I hope that your deliberations will give a new thrust to this process. For UNCTAD is certainly the irreplaceable - and I do mean irreplaceable - forum of the global community.

Today, we are called upon to face many difficult challenges together. We should be proud, of course, of the recovery of the international economy and of the growth of international trade, in both volume and value. Of course, we should recognize as a source of hope the fact that many developing countries, especially in Asia, are showing as good an economic performance as the most highly developed and industrialized countries. But we must also firmly resolve to deal with the overwhelming problems that weigh upon the poorest countries, especially in the African continent. I know that these concerns are at the core of your work.

In deciding to launch, together with the whole United Nations system, the World Bank and the International Monetary Fund, a Special Initiative on Africa, I wanted to help mobilize the international community. I wanted every United Nations organization to make its experience, in its own field of competence, available to Africa. But I also wanted to send a message to

African men and women to help keep their confidence alive, to support their activities, to tell them that we are encouraging them in their efforts and to remind them that they do not have to face the future alone.

In speaking to you here today, I wanted to tell you how important the United Nations Conference on Trade and Development is, in my view, and how much significance I attach to its future action.

Of course, like all organizations, it must undergo reform and keep adapting to the realities of the world. But it has already done so to a large extent. Now more than ever, it is an essential organ of United Nations action in the field of trade, development, equity and social justice for all peoples and all nations. Long live South Africa! Long live Africa!